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Corporate Social Responsibility Activities in Arts: Focusing on Performing Production Firms in South Korea

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Abstract. *The purpose of this study was to investigate CSR activities in the field of arts and culture in South Korea. This study focused on government-driven CSR activities in performing arts production companies. The study collected 425 theater performance data samples from the 2015 Daehak-ro Culture Map Directory published by the Seoul Theater Center to examine which characteristics of performing arts production companies influence participation in the Nanum Ticket Program. Logistic regression analyses were performed with this data to test the hypotheses. After controlling several conditions, we found that the size of the production firm and the genre of the performance had significant effects on donation activities. In this study, the field of CSR empirical research in arts and cultural management was expanded by considering performing arts production companies as subjects of social contribution activities. This study also presents policy implications for expanding CSR activities in the field of arts and culture.*

Keywords: *corporate social responsibility activities, participation motivations, arts and cultural management, performing arts production companies, Nanum ticket*

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1. Introduction

Large companies or corporate foundations mainly lead corporate social responsibility (CSR) activities (Nour et al, 2022; Alia & Barham, 2020; Waldman et al., 2006; Sanchez, 2000). This phenomenon is also found in the field of arts (Son, 2020; Lee, 2013). One of the reasons is that they have more human or physical resources than small and medium-sized enterprises (D'Amato & Falivena, 2020). Generally, resource endowments lead firms to choose optimal strategies to achieve their goals among optimization and bricolage (Park & Shin, 2015; Desa & Basu, 2013; Baker & Nelson, 2005). From this point of view, it can be predicted that when companies lack enough human and/or physical resources to engage in CSR activities, they will pursue different types of activities compared to larger companies' activities. Firms in the field of arts, in particular, can engage in CSR activities using expertise unique to their fields with the government's help.

An example is the cultural voucher policy that the Korean government implemented in 2011 to encourage arts organizations' CSR activities. The cultural voucher program includes the Munhwa Nuri Card Program, the Nanum Ticket Program, and the 5% Ticket Donation Program. The Munhwa Nuri Card is issued to the culturally disadvantaged so that they can enjoy cultural benefits, too. National and private theater firms receive government subsidies when they conduct the 5% Ticket Donation Program. Under the Nanum Ticket Program, these donated tickets are sold at discounted prices to Munhwa Nuri Card holders. The goal of these projects is to incentivize performing arts production companies in the private sector to engage in donation activities for the culturally disadvantaged. Therefore, active participation of such companies is vital to achieving this goal.

However, no empirical research has been conducted on which firms have been participating in the Nanum Ticket Program, even though it has been several years since the program was launched in South Korea. This seems unusual considering that active research has been conducted on general motivations of CSR activities. To fill this gap, the current study investigated the factors influencing CSR activities of performing arts production companies in the context of the Nanum Ticket Program.

The study flow is as follows. First, prior research on CSR activities, especially theatrical productions, is reviewed. Next, based on the review, hypotheses about CSR of performing arts production companies were proposed and tested using 425 theater performing arts companies' data from the 2015 *Daehak-ro Culture Map Directory* published by the Seoul Theater Center. Results and implications follow.

2. Literature Review

2.1 CSR

The argument that firms, as important members of society, should return part of their profits to society emerged in the United States in the 1950s. In the early days, it was argued that society's interests should be considered when entrepreneurs make decisions at an individual level (Bowen, 1953). In the 1960s, the main CSR agents began to shift from entrepreneurship to corporations. An opinion was formed that corporations should take more interest and responsibility in the welfare of society beyond meeting their legal obligations, such as paying taxes (Davis, 1960; Walton, 1967). During the Vietnam War in the 1970s, the media engaged in constant negative criticism of firms that benefited from the war and the type of society that allowed such firms to thrive. The American people became interested in various collective movements, such as anti-war and environmental movements. Accordingly, the argument that businesses should be actively involved in solving social problems gained ground (Johnson, 1971; Manne & Wallich, 1972).

There are various purposes that firms pursue through CSR. Research on the relationship between corporate social responsibility disclosure (CSR/D) and financial performance has found a positive impact of corporate social responsibility activities and related information disclosure on firms' performance (Alia & Barham, 2020). Ideal CSR can be viewed as pursuing both ethics and profits (Wan-Jan, 2006). According to Bénabou and Tirole (2009), CSR efforts are driven by genuine altruism, material incentives, and social status concerns. In other words, the purposes of CSR activities include both pursuing monetary gains and obtaining social status (Bénabou & Tirole, 2009).

Since CSR forms intangible assets, such as a company's positive image, and can be a source of competitive advantage, a positive relationship can exist between corporate stakeholder values and social contribution activities (Kim et al., 2017). Park (2009b) found in his examination of the factors of agency costs that firms with excellent corporate performance, financial performance, and corporate governance made more donations (Park, 2009b). Also, board size and percentage of women on board positively affected social responsibility disclosure (Nour et al., 2020). In a study by Jarbouai et al. (2023), sustainability committee independence, size, and expertise also positively influenced CRS performance. Additionally, as a factor related to the growth of corporate value, the higher the R&D or advertising expenditure, the more donations that are made. In other words, if a firm has a good financial position and access to resources (Preston & O'Bannon, 1997; Waddock & Graves, 1997), or has a strong propensity to pursue its growth (McWilliams & Siegel, 2001), it can strategically use CSR activities.

Rapid social change, such as the Covid-19 pandemic can weaken the relationship between financial performance (ROA, ROE, EPS) and corporate value (Tobin's Q), posing a threat to corporate sustainability (Asa'd et al., 2023). In addition to global disease, many other internal and external factors have been found to affect corporate sus-

tainability (Najjar et al., 2022). Thus, the discussion on CSR has recently expanded to corporate sustainability issues. For example, sponsorship of arts was found to positively impact corporate sustainability through employee engagement (Batt et al., 2021); and charitable activities led to increased corporate sustainability by improving brand images, strengthening capabilities, and building a network with local communities (Son, 2020). Companies with a proactive approach to CSR tend to actively manage factors that threaten sustainability, which positively affects sales and helps to improve operating profit (Singh, 2023).

2.2 *Field of Business and CSR*

A firm's CSR activities can be highly effective when they are linked to its field of business, because if the image that consumers have of the firm and the image that the firm intends to convey to its consumers are similar, the firm's brand is favored (Lynch & Schuler, 1994). This link can be achieved by using the expertise of internal personnel or the resources of the firm. For example, pilots and flight attendants from Asiana Airlines visited schools to support career development for teenagers (Cho, 2016). CJ Foodville conducted training programs on Tous Les Jour bakery's baking methods and techniques, and its professionals at Twosome Place, CJ's branded coffee shop, trained baristas (Lee, 2014). Such collaborations can increase a firm's credibility (Park, 2009a; Rifon et al., 2004).

The relationship between the field of business and CSR activities can be called CSR fit (Han & Chang, 2015). Previous studies revealed that the higher the CSR fit, the more positive was the impact on stakeholders. In a study by Nan and Heo (2007), CSR fit positively affected the attitudes of consumers with high brand awareness. In addition, in a study on sponsorship of sports brands, it was found that the higher the fit between sponsorship and brand, the higher the consumer's purchase intention (Gwinner & Bennett, 2008). As the business environment became uncertain due to the pandemic (Khatib and Nour, 2021), companies focused on CSR activities related to their business more during the COVID-19 pandemic (Kim, 2022). Conversely, if the firm's professional and sponsorship activities are different, a low degree of favor toward its sponsorship activities can be found among consumers (Simmons & Becker-Olsen, 2006).

This tendency also appears in CSR practices in the field of arts. The relationship between corporations and the arts has tended to change from sponsorship oriented to partnership oriented more recently (Campa & Zijlmans, 2019). Therefore, if a firm's corporate image and CSR activities in the field of arts are recognized as appropriate, consumers perceive the former more positively (Kim & Kwak, 2003). Further, firms with expertise in the field of arts have been found to be more effective in pursuing donation activities in the same field (Gene, 2014). Therefore, the effectiveness of CSR activities in a specific field seems to reflect the characteristics of that field.

2.3 Ticket Donation Program

One type of CSR activity that performing arts production firms conduct is ticket donations. For example, in 2009, the theater production company Modl Theater planned “Spring Water Day” once a month (Choi, 2010). The company has been donating the entire proceeds from that day’s theatrical productions to World Share’s water well drilling projects in countries with freshwater shortages. Another theater production company, Hackchon, signed an agreement with the Beautiful Foundation in 2003 to offer 20 free tickets to the culturally disadvantaged every month. PAPA Production also offered free tickets to the culturally disadvantaged through local-government-operated social welfare facilities.

Further, the Ministry of Culture, Sports, and Tourism (MCST) started the Cultural Voucher Program as a part of its cultural welfare policies. Initially, Culture and Arts Promotion Funds were used as resources, but as these funds were exhausted, Lottery Funds were used. In the performing arts field, cultural voucher policies include Munhwa Nuri Cards, Nanum Tickets, and the 5% Ticket Donation Program. Munhwa Nuri Cards are issued to the culturally disadvantaged, and only those who hold this card can receive the benefits of the 5% Ticket Donation Program and the Nanum Ticket Program. Under the 5% Ticket Donation Program, the National Theater and private theater companies that put on original programs or receive government subsidies should provide 5% of their total seats to Munhwa Nuri Card holders free of charge. Under the Nanum Ticket Program, tickets that private performing arts production companies or theater companies have donated are sold at discounted prices to Munhwa Nuri Card holders. These kinds of cultural welfare policies have created new platforms for performing arts production companies to engage in CSR activities (Cho, 2011; Yong, 2012).

Performing arts production companies that donate their tickets through the Nanum Ticket Program receive some benefits through the issuance of donation receipts, but they are largely engaged in CSR voluntarily. However, as of 2015, only 15% of the companies located on Daehak-ro, the largest art street in South Korea, have participated in the project. Their low participation rate requires research on the factors affecting their participation. In particular, considering that research on the antecedent factors for CSR has been actively conducted in general fields (Barnea & Rubin, 2010; Brown et al., 2006), there is a need for research to discover the antecedent factors of CSR in the arts sector specifically.

3. Hypotheses

The first hypothesis is about the size and CSR of performing arts production companies. Many studies show that there is a high correlation between firm size and CSR. It is important to determine the size of an organization to know the extent of the presence or absence of CSR in the organization (D’Amato & Falivena, 2020; McWilliams & Sie-

gel, 2001). This is because the greater the firm size, the more the resources that can be used, and the number of resources has a great influence on deciding on CSR activities. Firm size is generally related to the firm's sales or financial situation. In fact, a firm with a large number of financial resources conducts more CSR activities than a firm without a large number of financial resources (Waddock & Graves, 1997). Additionally, the results of correlation analyses between CSR involvement and firm size in 67 US businesses revealed very high correlation (Preston & O'Bannon, 1997). Large corporations are rich in resources, and their abundant resources have a positive influence on CSR (Preston & O'Bannon, 1997).

Further, a study of large corporations in the U.S. food retail industry showed that firms tend to donate their extra products. One of the major influencing factors in donation is the characteristics of food products, specifically, the need to discard resources if they are not sold within a certain time limit. Donating surplus resources offers the advantages of saving on disposal fees and improving the corporation's image (Campbell et al., 1999). Because performing arts production companies also produce products with time and place constraints, these companies can donate their remaining resources. Thus, Hypothesis 1 is set in the context that larger theatre production companies will have greater financial resources and so, are better placed to donate tickets.

***H1.** The size of a performing arts production firm will have a positive (+) effect on donation decision-making.*

The second hypothesis concerns the characteristics of a performance. Specifically, the genre can have an influence on ticket donation. The genre is a factor that can predict a performance's success (Chang & Ki, 2005) among ticket donation beneficiaries. If the beneficiaries are disabled people or children, a theater performance in the horror or thriller genre where special effects or harsh sounds are used may be inappropriate (Kim, 2012). At the same time, in the romantic comedy genre, the content is easy to understand and popular, so this genre is generally preferred (Lee, 2016). Audiences who get donated tickets want to see theatrical productions that are popular. In the case of productions with unpopular content, even if a ticket is donated, its seat may remain empty. For this reason, the romantic comedy genre is considered the most preferred genre when donating tickets.

***H2.** Among various genres, the romantic comedy genre will have a positive (+) effect on donation decision-making.*

4. Empirical Analysis

4.1 Data

In this study, a Daehak-ro performance list obtained through the 2015 *Daehak-ro Culture Map Directory* was used as a dataset. The Seoul Theater Center is a public institu-

tion that the Seoul Foundation for Arts and Culture operates to revitalize emerging performing arts in Daehak-ro. It supports emerging performing arts, rents practice rooms, and conducts educational programs to develop audiences. The Seoul Theater Center provides credible information about Daehak-ro performances to audiences through webzines, websites, and social media (Seoul Theater Center, 2015).

Daehak-ro is located in Jongno-gu, Seoul. It has over 100 theaters for various performances and is often called the Broadway of Asia (Im et al., 2012). Many art festivals are held there throughout the year, and it is a famous tourist destination for foreigners interested in Korean art. Daehak-ro is a mecca for performing arts in Korea and has been designated as a cultural district by the Seoul Metropolitan Government. It has a large scale that cannot be found globally as a single dense area related to performing arts (Lee, 2016). In addition, various genres such as plays and musicals are performed at small theaters in Daehak-ro, which are recognized as the birthplace of creation in the Korean performing arts industry (Kim, 2016). Therefore, considering the importance of Daehak-ro in the Korean performing arts industry, the performance list of the 2015 *Daehak-ro Culture Map Directory* can be seen as representative of the Korean performing arts industry.

Venues of performances sometimes change in the same year. In this case, even if they are the same performances, they are coded as different performances. In addition, when a progressing performance run is extended, the theatrical performances are repeatedly marked on the *Daehak-ro Culture Map Directory* every month. The most recently marked length of performance run is used to prevent duplication. Through this, it was possible for the current study to collect data on the names of 425 performances and of performing arts production companies, genres, lengths of performance runs, performance times, venue names, number of performances taking place per day for each production, ticketing prices, and country the original work was sourced from (excluding duplicate performances).

This study was conducted using donation status data from Nanum Tickets. Arts Council Korea operates the ticket donation site. The data included a list of performances that participate in the Nanum Ticket Program and details on the performances, such as the length of the performance run, the venue, the number of tickets donated, and the number of registered performances.

4.2 Variables

The dependent variable was the donation of performances. Performances registered in the Nanum Ticket were coded as 1, and unregistered performances were coded as 0.

The first independent variable, the size of a performing arts production firm, was measured according to the number of annual theatrical works produced by the firm. In general, it costs an average of 50 million KRW to stage a theatrical production on Daehak-ro (Korea Arts Management Service, 2015). A theatrical production firm can

generate a lot of work because the firm has a large number of financial resources. Additionally, firms that have produced a great deal of work are more likely to have higher sales than those that have not. From a firm's perspective, productions can be viewed as resources, and if the resources available for use are plentiful, they will have a positive influence on CSR activities (Preston & O'Bannon, 1997). By considering the number of annual works a firm produced from its available resources, this study attempted to determine whether this variable can influence CSR. This variable was measured according to the total number of works the corresponding firms produced during one year (2015). The data were collected from the 2015 *Daehak-ro Culture Map Directory*.

The second independent variable was whether or not a theatrical performance was in the romantic comedy genre. It was coded as 1 for the romantic comedy genre and 0 for the other three genres (comedy, drama, and thriller) on the map. Daehak-ro plays in the romantic comedy genre are generally the highest-grossing productions. In fact, Daehak-ro's top romantic comedy play, *Rooftop Room Cat*, was first put on in 2010 and became a big hit. Now it is performed all across the country. It was performed on Daehak-ro as an open-run show that continued indefinitely. Another play, *The Art of Seduction*, first played on Daehak-ro in 2012, gained great popularity, and became an open-run show with dedicated theaters in Daehak-ro and Gangnam. In this context, theatrical performances in the romantic comedy genre are the highest-grossing productions. Further, because the content of the romantic comedy genre is not difficult to understand, it is easily accessible to family members and couples. Thus, many audience members enjoy it as a genre of theatrical performances with a low entry barrier (Seo, 2010).

For the number of seats, the first control variable in this study, data were collected through the guide to the Daehak-ro performances provided on the Seoul Theater Center website. The larger the venue, the greater the number of required audience members. Therefore, the variable was expected to be high because of concerns over empty seats. There was a possibility that performing arts production companies would use the Nanum Ticket as a ticket-selling channel for empty seats. To control for this, the number of seats, like the venue size, was set as a control variable. This was because firms tend to donate rather than discard their remaining resources, and the possibility of CSR practices increases when the number of available resources is large (Preston & O'Bannon, 1997).

The second control variable was whether there were any government subsidies. It was measured according to whether or not a performing arts production firm received subsidies. Government subsidies are distributed according to organizational competency and theatrical production competency. An example of this is the organizational stability of the performing arts production firm and the awards the firm's productions have received (Lee et al., 2014). Likewise, if the government supports the production company, it means that the firm has the organizational capabilities to put on a good performance, which can influence CSR activities. According to previous studies, a company's production capacity or financial performance positively affects CSR (Scholtens,

2008; Kang & Jung, 2009; Kim & Min, 2016). The core capacity of a production company is the ability to produce good performances. Therefore, the capability to put on a good performance can influence a production company's CSR activities. Additionally, government-sponsored firms can donate tickets as a means of giving back to society what they have gained from the public (Coombs & Holladay, 2011). The Seoul Foundation for Arts and Culture actively supports projects for performing arts production companies located on Daehak-ro. Accordingly, by using the detailed search function for beneficiaries of government support on the Seoul Foundation for Arts and Culture's website, theatrical production companies that received support funds as of 2015 were coded as 1, and those that the government did not support were coded as 0.

The third control variable was that of the country from which the plays originated (as indicated on the *2015 Daehak-ro Culture Map Directory*). In general, in the case of foreign performances, the venue size tends to be larger, and the ticket price tends to be higher. This is because license fees are incurred when staging foreign works (Park & Great Root Woods, 2016). In the case of licensed work, it was expected that it would be difficult to freely donate tickets because the production company did not own the license, but borrowed it. When entering variables, the country from which the work originated was coded as 1 for a Korean original play and 0 for translated and adapted plays.

The fourth control variable was whether or not a play was considered a high-season performance based on the start and end dates of each performance obtained from the Seoul Theater Center's performance information data. If the length of a performance ran for more than half of the period from June to August or December to February (the peak season for performances), the performance was coded as 1. If a performance ran during the remaining periods, it was coded as 0. The peak season for performances is usually during college vacations. If a performance was held during the peak season, it was expected to attract more audience members. Ticket sales would therefore be affected, making control necessary.

5. Results and Discussion

5.1 Descriptive statistics

As can be seen in Table 1, 15.3% out of the 425 performances were donated. This indicated that the percentage of performances that contributed to the ticket donation were low. The number of seats in the theater was 151.64 on average, lower than the average of 197.8 seats for specialized arts organizations presented in the White Paper of Specialized Arts Corporations and Organizations (Korea Arts Management Service, 2015). This indicated that most Daehak-ro plays or work are performed in smaller venues. In the regression analysis, the log of the number of seats was used. The basic statistics related to government support for performing arts production companies showed that

21% of the 425 performances were produced by firms that received government subsidies. Regarding the countries from which the plays originated, 77% of the plays staged on Daehak-ro were Korean. Because of licensing requirements for foreign plays, most of the plays in Daehak-ro were domestically produced and performed. Performances in the high season were 57%, or slightly over half of the total. Regarding firm size, it varied from one play per year to 16 plays per year. The average number of works the performing arts production companies staged was three. Thus, the variation in the number of theatrical performances was immense. Regarding the genre variable, 8% of all theatrical performances were classified as the romantic comedy genre.

Table 1*Descriptive Statistics*

	<i>N</i>	<i>Min</i>	<i>Max</i>	<i>Mean</i>	<i>SD</i>
Donation	425	0	1	0.15	0.36
Number of seats	425	30	608	151.64	81.39
Government support	415	0	1	0.21	0.41
Country of the original play	421	0	1	0.77	0.42
High-season	425	0	1	0.57	0.50
Firm's size	415	1	16	3.01	3.20
Romantic comedy	424	0	1	0.08	0.27

5.2 Hypotheses Verification

Table 2 shows the correlation of variables.

Table 2*Correlations*

	1	2	3	4	5	6	7
1. Donation	1						
2. Number of seats	.058	1					
3. Government support	.090	-.084	1				
4. Country of the original play	.062	-.082	.005	1			
5. High-season	.057	.057	-.148**	-.054	1		
6. Firm's size	.310**	-.021	-.085	.095*	.060	1	
7. Romantic comedy	.140**	.100*	-.110*	.101*	.155**	.073	1

Note. * represents $p < 0.05$; ** stands for $p < 0.01$.

Table 3 shows the results of the binary logistic regression model using the characteristics that were related to donations of performance companies. Model 1 is the analysis including only control variables; Model 2 is an analysis to verify Hypothesis 1; Model 3 is an analysis to verify Hypothesis 2; Model 4 is a full model including all variables. The hypotheses test results were as follows.

First, in the logistic regression Model 2 shown in Table 3, Hypothesis 1 was supported because the sizes and donations of firms showed a significant positive relationship. This indicated that the larger the size of the firm, the more likely it is to participate in ticket donations. The results of previous studies showed a high correlation between the size of a firm and CSR, and now it was also confirmed in the field of the arts. Second, the romantic comedy genre and donation showed a significantly positive (+) relationship in Model 3, so Hypothesis 2 was also supported. This shows that theatrical productions in popular genres are more active in ticket donation. Finally, the analysis of all the independent variables in Model 4 showed that they had significantly positive (+) influence on the dependent variable of donations. In other words, the influence of the independent variables was high.

Table 3
Regression Result

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>VIF</i>
Constant	-4.552** (1.535)	-5.528** (1.643)	-4.226** (1.568)	-5.245** (1.677)	
Number of seats	.423 (.290)	.502 (.310)	.357 (.298)	.445 (.318)	1.175
Government support	.670* (.315)	.955** (.330)	.757* (.320)	1.048** (.337)	1.042
Country of the original play	.497 (.360)	.280 (.371)	.398 (.364)	.174 (.376)	1.039
High-season	.384 (.288)	.277 (.304)	.292 (.294)	.178 (.310)	1.071
Firm's size		.208** (.038)		.209** (.038)	1.028
Romantic comedy			1.024* (.414)	1.051* (.447)	1.061
N	413	413	412	412	
Nagelkerke R ²	.035	.164	.058	.182	
Classification accuracy	84.3	86.4	84.2	86.4	

Note. Standard error is in parentheses; * implies $p < 0.05$; ** means $p < 0.01$.

The variance inflation factor (VIF) was checked to confirm the multicollinearity among the variables. The maximum value of VIF among the variables in this study was

1.175. In general, if a VIF value exceeds 10, this is believed to show a multicollinearity problem. Because the VIF value in this study did not exceed this limit, there was no multicollinearity problem.

Table 4 shows additional analysis results for Hypothesis 1, for which the firm's size was measured according to the number of annual theatrical works produced by the firm. A firm that releases many productions in a year will have more opportunities to offer donations. Thus, the relationship between the firm's size and donations could have endogeneity issues. To account for this issue, the regression analysis was performed with 'performing days', an additional control variable, to check the possibility of endogeneity. Endogeneity that may occur in cross-sectional analysis can be noted using the control variable to address the concern (Hill et al., 2021; Spector, 2019). The variable 'performing days' was measured as the number of days on which a performance was held during the year, obtained from the performance information data of the Seoul Theater Center. The maximum value is 365, the minimum is 1, the mean is 56.89, and the standard deviation is 92.40. As shown in Table 4, even when the performing days variable was controlled, the firm's size positively (+) affected donation, confirming the robustness of the previous results. However, it needs to be noted that when using control variables to remedy endogeneity, there are limitations in that researchers are unlikely to recognize all relevant confounding variables or that arbitrary inclusion of control variables can cause bias (Hill et al., 2021).

Table 4

Additional Regression Result for H1

	Donation
Constant	-5.448** (1.683)
Number of seats	.466 (.318)
Government support	1.116** (.343)
Country of the original play	.246 (.374)
High-season	.017 (.327)
Performing days	.004** (.001)
Firm's size	.197** (.039)
N	413
Nagelkerke R ²	.190
Classification accuracy	86.2

Note. Standard error is in parentheses; * = $p < 0.05$; ** = $p < 0.01$.

6. Conclusion

This study investigated the factors influencing participation in CSR activities in the performing arts sector based on the donation data of theatrical performance ticket to the culturally disadvantaged in South Korea. The results can be summarized as follows.

First, the size of a performing arts production company was positively related to its donation decision. Even though we measured the size as the number of annual theatrical works produced by a company, which was different from popular measures like financial performance, the result was in line with several studies' finding that a firm size has positive effects on CSR activities (Lee et al., 2014; Waddock & Graves, 1997). Thus, our findings confirmed that this size effect also exists in the field of art business.

Second, this study found that the genre matters in the donation decisions of performing arts productions. It was a romantic comedy which was the most popular genre (Lee, 2016; Seo, 2010) that showed a positive relationship with donations. A question arises why companies donate tickets in a popular genre that could be sold more easily. Our explanation is that companies would consider the reputation of their donation efforts more than simple economic calculation. If it is known to the public that a company donates only unpopular tickets, the company could be criticized for its unethical motivation. This social pressure can lead a company to donate tickets in a popular genre. Moreover, a company would have an economic motivation even in donating behaviors. The Korean government gives tax benefits to donations like many other countries, and companies can make use of those benefits even in the field of popular theatrical works. The reason is that even very successful works may not be fully booked, so it would be better to donate tickets and get tax returns than leave empty seats in the theater. Lastly, the snowball effect would have an effect on donation decisions. It is generally impossible to distinguish free ticket guests from paid audiences. When a play is launched, early success is very important, especially when in a romantic genre where people expect a certain level of success. To meet the expectation at least in the number of audiences whether they buy tickets or are invited, a company could be willing to donate tickets and attract as many people as possible.

This study made an academic contribution in that we investigated performing production companies as not just beneficiaries but also players in CSR. In many previous studies on CSR, companies in the arts area are treated as beneficiaries (Gene, 2014; Lee, 2013). However, as the market for performing arts is growing, CSR activities of performing arts companies are increasing. We believe that performing production companies' CSR activities deserve more attention in the future.

The policy implications of this study would be that policy makers should consider carefully the way they support art areas. The more popular the genre is, the more effective the support can be to the public. However, in general, artists in need tend to be involved in non-popular genres. Thus, we suggest that support to the artists in non-popular genres and support to the public in popular genres should go hand-in-hand. As seen

from Table 3, the ‘Government support’ variable is significant in all the models in the regression analyses, and government policy is indeed a very important factor to make companies take actions. Following the previous studies (e.g., Albareda, 2007; Moon, 2004), this study confirmed that the government plays a leading role in CSR activities. It is suggested that the government should use more resources to lead CSR activities in the field of arts.

Despite its contribution, this study has some limitations. First, CSR in the field of arts was measured based on companies’ participation in the Nanum Ticket Program in this study. However, CSR can be carried out in various forms, including direct support to artists or collaborating with companies in other fields. Thus, future studies may expand the scope of CSR activities that take place.

Second, although we investigated CSR activities only in the field of theatrical production, it can be expanded to various arts fields, such as film production or fine arts production. Future studies may expand the areas where CSR activities take place.

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